## Bill Bradley for President

September 11, 2002

Lawrence Norton, Esq. Federal Election Commission Office of General Counsel 999 E Street, NW Washington, DC 20463

Dear Mr. Norton:

This letter is a response to the Commission's letter dated July 12, 2002, on the issue of MUR 5279 – Bill Bradley for President, Inc.

Please be informed that the Factual and Legal Analysis that was attached to the Commission's correspondence has been reviewed. Based on its review of this document, the committee believes that the Commission has reached a conclusion that is incorrect due to the omission of certain relevant information. In particular, the Commission's presentation of factual materials related to the committee's best efforts to determine the permissibility of the subject contributions is incomplete. In fact, the committee took steps beyond those required to ensure the permissibility of the contributions. A more complete summary of the actions taken by the committee follows.

- In January 1999, the committee received 52 contributions totaling to \$50,000.00 from different partnerships that, in part, comprise the Kushner Companies.
- After initially reviewing the contributions, the committee determined that it needed additional information from the contributors before accepting the contributions. As a result, the committee removed the contributions from the batching process and contacted Brian C. Bentzlin, chief financial officer for the Kushner Companies, in order to obtain additional clarification information.
- In February 1999, after the committee was unable to obtain the information it sought from Mr. Bentzlin, the committee returned the 52 contributions.
- Upon the return of the contributions, representatives for the contributors contacted the committee and maintained that the contributions were legitimate and in accordance with FEC guidelines.

P.O Box 173 Princeton, New Jersey 08542

Contributions and gifts to Bill Bradley for President, Inc. are not tax deductible.

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- In April 1999, the committee again advised Mr. Bentzlin of the additional information sought for the proposed contributions. Toward this end, the committee provided sample letters to Mr. Bentzlin and advised that the provision of the information set forth in the letters, if accurate, would allow the committee to accept the contributions.
- In subsequent conversations, Mr. Bentzlin and his successor, Scott Zecher, provided the committee and its legal counsel, Perkins Coie LLP, with requested information. The contributors' position, the nature of the partnerships and the reason for a common signatory for the partnerships were explained. As to the provision of signatures by individual partners, the contributors' representatives observed that the signatures of the contributing partners were not required in order for the contributions to be legally accepted. The information provided satisfied the committee and its counsel.
- On June 22, 1999, the committee received 41 contributions totaling \$40,000.00, which the committee accepted. An allocation list dated June 17, 1999 accompanied the contributions and provided information regarding the mailing address and occupation/employer for the identified contributors.
- On June 25, 1999, 41 contributions totaling \$40,000.00 were deposited to the committee's depository account.
- Having obtained the information necessary to accept and retain the contributions, the committee then sought to obtain written statements from those contributors whose funds were potentially eligible for federal matching funds. The committee sent requests for information on July 14, 1999 in accordance with its standard procedure for processing potentially matchable contributions.
- On August 16, 1999, the committee sent a fax to Mr. Zecher affirming its July 14 requests to the contributing partners for written statements for matching fund purposes. The committee further advised that two partnership contributions appeared to be excessive unless alternate partners could not be identified. (Alternate partners were not provided and the contributions for two partnerships totaling to \$2,000.00 were refunded.)
- On February 9, 2000, the committee sent follow-up requests for written statements to contributors.
- In the course of the review of committee records, Commission auditors raised questions to the committee regarding the circumstances of acceptance of the subject contributions. In response, the committee contacted Mr. Zecher. The committee also contacted its counsel.

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- On February 13, 2001, Mr. Zecher again provided information regarding the nature of the partnerships and the reason for a common signatory for the partnerships.
- On April 12, 2001, the committee's legal counsel affirmed that the committee had acted properly in accepting the contributions.
- On August 15, 2001, Mr. Zecher requested the refund of two additional partnership contributions.
- On August 20, 2001, the committee contacted Mr. Zecher to discuss the refund request. Mr. Zecher advised that the affected partners declined to sign a letter authorizing the contributions, despite the fact that each had signed a partnership agreement that granted the managing partner the authority to take actions for partners without their signature. Mr. Zecher also advised that while the Kushner Companies did not feel that attribution letters were required, such letters were being obtained from all Bradley contributors, and that copies of such letters would be provided to the committee. Requested refunds were made on August 31, 2001.
- On March 18, 2002, Mr. Zecher requested the refund of two additional partnership contributions. Follow-up contact between the committee and Mr. Zecher was not accomplished. Requested refunds were made on April 1, 2002.
- As of August 6, 2002, the net amount of contributions accepted by the committee from the Kushner Companies partnerships totals to \$34,000.00.

Given the above, the committee believes that it took all reasonable steps to verify the permissibility of the subject contributions, from their initial offering into the audit process. Indeed, the committee's requests exceeded its duties under Commission regulations. The committee also sought and consistently acted upon the advice of its counsel.

It should be noted that the committee made refunds for those contributions that were found to be excessive, as well as for those for which contributor requests were received.

As to the issue regarding the committee's failure to report employers and mailing addresses, and failure to employ best efforts to verify contributions, the committee complied with these requirements. The committee provided a mailing address for each contributor. The committee also provided an occupation and employer for each contributor. The information is consistent with information contained in the filings of other entities regulated by the Commission. Within three weeks of depositing the contributions, the committee sent letters requesting additional information for matching purposes. This information request provided subject contributors with an opportunity to provide alternate mailing and employer information. The committee also performed a follow-up solicitation of the information.

With respect to the acceptance of individual contributions collected by a corporate intermediary, the committee has always understood that the Kushner Companies is a non-incorporated entity and that no corporate entities were involved in the making of the subject contributions.

Based on the above, it is the committee's belief that the Commission's finding against it in this matter is incorrect. Moreover, the committee believes that its commitment to compliance with applicable campaign finance laws has been abundantly demonstrated to the Commission. The committee processed more than \$29,000,000 in contributions from over 100,000 contributors. The committee's records and processes were fully reviewed by the Commission's audit staff. The Commission's audit revealed no deficiencies or difficulties related to the committee's handling of contributions. The committee feels that its record of compliance is such that the Commission is provided with further reason to reconsider its finding.

The committee respectfully requests that the Commission reconsider its finding in light of the information that is provided.

Please be informed that the committee has not presently retained counsel for this matter. In the event that the committee determines that legal representation is required, the committee will retain the law firm of Perkins Coie LLP. The law firm's mailing address is 607 Fourteenth Street, NW, Washington, DC 20005.

Thank you for your attention to this matter.

Sincerely,

Peter D. Nichols Assistant Treasurer